

1700 Older Americans Act Carryover Funds

1701 Overview

The Aging and Adult Administration shall develop and maintain fiscal control and funding operational principles and procedures that address the management of Older Americans Act (Title III and VII) carryover funds disbursed under an approved State Plan on Aging. Carryover funds shall be obligated by the Aging and Adult Administration to ensure the continuation of service delivery.

This chapter shall provide an outline of the Aging and Adult Administration operational principles and procedures for managing and obligating Older Americans Act carryover funds.

Reference: Older Americans Act of 1965, as Amended in 2000, P.L. 106-501, §304 and §306; and Title 45 C.F.R. §74.71.

1702 Operational Principles

1702.1 Carryover funds are for a *one-year period only (budget year)*.

1702.2 Area Agencies on Aging shall incorporate carryover funds from the most recently completed budget year into their contract and subcontracts by January 1st for the current budget year. Area Agencies on Aging may request an extension to the January 1st deadline by providing written justification to the Aging and Adult Administration Field Operations Manager.

1702.3 Area Agencies on Aging shall identify carryover amounts in their Area Plan and during their public hearing. The Area Plan must specify the priorities established by the Area Agencies on Aging regarding the use of carryover funds. The carryover funds may be targeted toward meeting one or more of the following goals:

- A) Reducing the waiting list.
- B) Expanding current service levels.
- C) Replacing funds in services resulting from other Federal, State, or Local reduction.
- D) Funding demonstration/pilot projects.
- E) Funding one-time expenditures.

1702.4 Area Agencies on Aging may carryover 10% of their total Older Americans Act funds from the most recently completed budget year to the current budget year. The 10% does not include any carryover funds from a prior budget year(s).

1702.5 Area Agencies on Aging may request authorization to carryover up to 20% of their total Older Americans Act funds by providing written justification for additional funds detailing the amount requested by

funding source and a description of the projected use of the funds. This request shall be approved/disapproved by the Aging and Adult Administration Program Administrator.

- 1702.6 Unexpended Older American Act administration funds identified at the end of the most recently completed budget year are not eligible as administration carryover.

1703 Operational Procedures

- 1703.1 Area Agencies on Aging will submit to the Aging and Adult Administration their final Expenditure Report for all services provided 45 calendar days following the termination of the contract budget year (August 15th).
- 1703.2 The Aging and Adult Administration will analyze the expenditures against the payments and the contract budgets ceiling to establish the unexpended amounts by fund source following the submittal of the Expenditure Report. Aging and Adult Administration will review, adjust and amend as needed, the results prior to developing the contract close-out report.
- 1703.3 The close-out report issued by the Aging and Adult Administration will consist of the following:
- A) Cover letter
 - B) Preliminary close-out summary (Excel spreadsheet)
 - C) Year-to-date expenditure report (AIMS-JAS-443/AG-053)
 - D) Year-to-date disbursement report (AIMS-JAS-670)
- 1703.4 The Aging and Adult Administration shall send close-out reports to the Area Agencies on Aging no later than October 1st, unless unforeseen circumstances prevent the issuance of the report. Upon receipt of the close-out report, Area Agencies on Aging will have 45 calendar days to review the report.
- 1703.5 The close-out report will identify the amount of funding eligible for carryover from the appropriate Federal fund source. If the close-out report contains an amount due to the Area Agency on Aging, the Aging and Adult Administration shall remit that amount to the Area Agency on Aging, prior to awarding carryover to the Area Agency on Aging. If the close-out report contains an amount due from the Area Agency on Aging, that amount shall be remitted to the Aging and Adult Administration, prior to awarding carryover to the Area Agency on Aging.
- 1703.6 Should Area Agencies on Aging report carryover funds in excess of 10% by the end of the recently completed budget year, the Aging and Adult Administration shall reclaim funds for redistribution to those Area Agencies on Aging whose carryover funds are less than 10%. Inquiries shall be made by the Aging and Adult Administration to the Area Agencies on Aging whose carryover is less than 10% to determine their need for additional funds. Funds will be redistributed on a proportionate basis to the eligible Area Agencies on Aging up to their 10% limit if the

reclaimed funds are less than a total of 10% Statewide. Area Agencies on Aging whose carryover is less than 10% are not guaranteed additional carryover funds. If the reclaimed carryover funds are under \$1,000, the Aging and Adult Administration will work with the Area Agencies on Aging to determine which Area Agency on Aging and/or what special project shall utilize the funds.

1703.7 Area Agencies on Aging requesting carryover above 10% and up to a maximum of 20%, must submit to the Aging and Adult Administration Program Administrator, a written justification detailing the amount requested by funding source and the projected use of the funds.

1703.8 Should Area Agencies on Aging not expend all of their administration funds during the most recently completed fiscal year, the Federal portion (75%) is eligible for carryover as program funds.

1703.9 Unexpended funds not requested as carryover by the Area Agencies on Aging shall revert to the Aging and Adult Administration for reallocation with priority given to one-time only expenditures.